

DISPOSITION FORM

FILE NO.

G-4

12733

SUBJECT

GAO Inspection of Fort Huachuca

TO

Chief of Engineers

FROM

G-4

DATE

DEC 5 1953

COMMENT NO. 1

1. Your attention is invited to extracts from a Report of Inspection of Fort. Huachuca, Arizona by the General Accounting Office, attached as Inclosure 1.

2. It is requested that a review be made of this report to determine:

a. If the State of Arizona violated the deed of transfer by disposing of the cold storage plant and water tanks at Fort Huachuca. (Pages 7 & 8 Incl 1).

b. The circumstances concerning the rehabilitation and leasing of the USO building in Fry, Arizona. (Page 6, Incl 1).

c. If the costs of rehabilitating Fort Huachuca are considered excessive in comparison to cost of rehabilitating other installations during approximately the same period of time. Particular attention should be given to the cost of purchasing buildings from the rehabilitation contractor.

3. Request that the results of this review together with your recommendations and comments be forwarded to Facilities Branch, AGOS G-4, prior to 20 January 1954.

BY DIRECTION OF THE ASSISTANT CHIEF OF STAFF, G-4:

1 Incl.

Extract GAO Report (dup)

[Signature]
B. R. LEE
Colonel, GS
Chief, Facilities Br.
Service Division

GAO REPORT 2-4
RECEIVED BY BRANCH

DEC 1 1953

001

DEC 1 1953

DD FORM 96

REPLACES NME FORM 96, 1 OCT 48, WHICH MAY BE USED.

10-44822-1 U. S. GOVERNMENT PRINTING OFFICE

USFH-00001358

Colonel Dunne said that during a visit to the Office of Chief of Engineers in May 1952 it was indicated informally that the Chief of Engineers did not know of plans for further training of Engineer Aviation Units at Fort Huachuca when the second training cycle was completed. He said that with this in mind upon his return to Fort Huachuca, he recommended to his staff that all plans for new construction be deferred or canceled. He said that nothing further was heard about the future of Fort Huachuca until August 12, 1952, when the ARIZONA REPUBLIC, a Phoenix newspaper, carried an item saying that Governor Howard Pyle had substantiated "reports" that the installation would be deactivated January 1, 1953.

Colonel Dunne still had not received any official confirmation of such "reports". He said that in telephone conversations with Sixth Army, he endeavored to obtain information but was advised that nothing had been received from the Department. He said that in October 1952 he read in another newspaper article that the fort would continue in an active status. This was confirmed by Sixth Army by telephone. It was on February 27, 1953, nearly two months after the last cycle of training was completed that Sixth Army directed a reduction of civilian personnel by one-half, or down to 350 employees.

An article in the ARIZONA REPUBLIC of March 17, 1953, stated that the Department of the Army had ordered that Fort Huachuca would operate on a reduced strength basis. On March 18 the same newspaper carried an article to the effect that the training program would be discontinued May 1, 1953.

On March 30 Sixth Army ordered that Fort Huachuca be closed June 30, 1953. On April 30 all civilian employees received their notices of reduction in force effective May 30.

Immediately after receiving official orders to deactivate, steps were taken to ship supplies and equipment to other installations and depots for use or storage. However, on April 14, 1953, Sixth Army directed retention at Fort Huachuca of housekeeping equipment to supply 8,000 troops. Colonel Dunne said that this action could mean that storage space was not available at the depots, or that there was some indication in the Department that Fort Huachuca might be needed to house troops sometime in the near future.

On April 30, 1953, the commanding officer, after consulting with the transportation officer, estimated that approximately 12,000 tons of supplies and equipment had been shipped out of Fort Huachuca to various installations at a cost of about \$1,500,000. Many more shipments were scheduled, but the ultimate cost could not be estimated.

Rehabilitation

Late in 1950 or early 1951 the Replacement Training Command of the Air Force considered Fort Huachuca for basic training of airmen. On January 29, 1951, the Air Force received a right of entry from Arizona. Records of

the Los Angeles District Engineer, Army Corps of Engineers, indicate that the Air Force contemplated using the Fort for only 30 to 60 days to relieve crowded conditions at other centers. An inspection team recommended \$200,000 to rehabilitate areas 7, 10 and 13, and warehousing facilities. At the request of the Air Force, the Los Angeles District Engineer negotiated a contract with the M. M. Sundt Construction Co., Tucson, Ariz., January 11, 1951, for the rehabilitation of buildings and utilities. 1/ On February 19 the Air Replacement Training Command transferred jurisdiction to the Continental Air Command for use as an indoctrination center. The new command suggested the original plans to include rehabilitation of the hospital, housing, barracks, cold storage plant and training facilities. On February 27, 1951, the district engineer revised the estimate upward to \$3,000,000.

On February 19, 1951, the district engineer received an allotment of \$200,000 from the appropriation 5714400, Maintenance and Operation, Air Force, allotment 164-1600, project P-449. This was increased on March 5 by \$1,200,000 to a total of \$2,000,000. 2/

Prior to receipt of the second allotment, the Air Force abandoned the project and on March 2, 1951, Colonel Webster, Air Installations Officer Continental Air Command, Mitchell Air Force Base, N. Y., notified the Los Angeles District Engineer that the Air Force would no longer consider Fort Huachuca for its purposes.

On March 15, 1951, the Sixth Army, Presidio of San Francisco, took control of the reservation to provide a permanent post for engineer training of aviation troops under the OCAWAF program. 3/ The total allotment to district engineer was raised to \$4,000,000.

The district engineer found the increases necessary because of (a) dismantling of buildings permitted by the War Assets Administration, (b) frozen pipes left undrained when the post was deactivated, and (c) general dilapidated condition of all buildings. Damage was more extensive than first estimated.

As rehabilitation progressed, the district engineer issued change orders to contractors, culminating in a final figure of \$5,025,127 4/ for work done under his supervision. As troops were assigned, other rehabilitation was done under the direction of the post engineer at a local cost of \$539,250. 5/

1/ Contract No. DA-04-153-end-006, negotiated pursuant to Sec. 2(c)(1), Armed Services Procurement Act of 1947, 62 Stat. 21, and Presidential Proclamation 2314.

2/ Air Force funds received by Army funds in April, May and June 1951. Appropriation 211-00005, Rehabilitation of Fort Huachuca, allotment 56-1054, project P-321-99.

3/ Budgetary Category, Army with Air Force.

4/ Item 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

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Actual training of engineer aviation troops began in June 1951. On March 30, 1953, after having been in an active status for about two years, Fort Huachuca was ordered closed at the end of June 1953.

At the end of March 1953, the cost of rehabilitation and operation of the installation had amounted to \$12,506,925. 1/ In addition, engineering equipment and supplies on hand at the peak of training were valued at \$6,228,153. 2/ During the training program there was also on hand ordnance rolling stock having a value of \$3,659,865. 3/ The total of these three classes is more than \$23.3 million, not including military payrolls of about \$7 million.

From the end of the second and last training cycle on January 6, 1953, until March 30, 1953, the date of the order closing Fort Huachuca, the installation remained without a mission. After having rehabilitated the installation for a training period of only 20 months and having spent more than \$30,000,000, including military payrolls, the fort was scheduled to be placed on a standby basis. Transportation of equipment and supplies to storage depots or other stations will amount to more than \$1,500,000.

The installation which was rebuilt and modernized and is in excellent condition will now be placed in the care of a small maintenance crew of less than 75 employees.

Quartermaster Laundry

The Air Force, upon assuming command in January 1951, contemplated using the installation for only 30 to 60 days. However, contract No. DA-04-353-eng-906, negotiated January 31, 1951, included the rehabilitation of a Type 3 Quartermaster Laundry at a cost of \$276,649, without an apparent effort to secure the services of the Air Force-operated Laundry at Florence, Ariz., or to have the work done commercially.

The laundry at Fort Huachuca operated at a consistent monetary loss from its opening in June or July 1951 until it was reduced to a standby basis in February 1953. Reports for the period of operation show income of \$132,151 against expenses of \$202,284 for a net loss of \$70,133. 4/

Elmo B. Williams, OOMG, Technical Laundry Advisor, in report of inspection dated October 1, 1952, states in part that the percentage of payroll to earnings for fiscal year 1952 average 128.54%, the loss being directly attributable to the number of excess employees and the low productivity per employee. The commanding officer wrote the Sixth Army that the consistent

1/ Total of exhibit 1.

2/ Exhibit 2.

3/ Exhibit 3.

4/ Exhibit 4.

monetary loss has been a result of (a) low troop strength, (b) inadequate labor procurement area from which to obtain efficient personnel, or personnel adaptable to laundry training, and (c) reduced and/or lack of patronage. 1/

Sixth Army Memorandum No. 28, dated April 5, 1951, states in part that " * * * Department of Defense facilities within economical transportation distance be contacted informally for availability of laundry or dry cleaning services and prices." A list of Department of Defense facilities, other than Army, was outlined in the memorandum, including Williams Air Force Base which operates the laundry at Florence, Ariz., less than 200 miles from Fort Huachuca. 2/

Frank M. Beigboder, superintendent of the laundry at Florence 2/ said that Air Force or Army representatives did not contact him regarding service for Fort Huachuca. He said that he could have provided necessary service on a "reduced second shift", meaning that the Florence laundry could have done it on about a 60-hour work week, with a reduced crew after the regular 8-hour shift.

Lt. Col. Sterling Maddox, Commanding Officer, 3525th Supply Squadron, Williams Air Force Base, said that the matter of furnishing laundry service for Fort Huachuca was never brought to his attention.

We could find no record at Fort Huachuca to indicate that an attempt was made to secure a contract with a commercial concern until about the time the laundry was closed in February 1953. In April 1951 laundry service costing about \$500 a week for 300 men was supplied by the Keweenaw International Laundry and Cleaners, Douglas, Ariz., under contract no. DA-02-024-441, dated February 15, 1953.

On February 27, 1951, the Tidmarsh Engineering Company, subcontractor for M. M. Susst Construction Company, ordered from the American Laundry Machinery Company material and equipment necessary for rehabilitation of the laundry. Reportedly, laundry equipment was scarce and about half the items were rebuilt. 4/

The Chief of Engineers inquired as to why materials were not requisitioned from the Quartermaster General and the reply from the Division Engineer, Col. J. S. Seybold, March 22, 1951, was in part as follows:

1/ Exhibit 5.

2/ Exhibit 6.

3/ Interviewed April 24, 1953.

4/ Critical shortage of laundry equipment was reported by the Office of the Quartermaster General on August 1, 1951. See exhibit 7.

"Contract has been awarded to a private contractor for procurement and installation of laundry equipment. The contractor has proceeded with the procurement and fabrication of material to such an extent that cancellation of the contract, at the time plans for the use of Fort Huachuca were changed, would have resulted in a claim by the contractor and excessive cost to the Government.

"At the time the contract was let the Air Force was pressing the District Engineer for the earliest possible rehabilitation of Fort Huachuca. While the District Engineer was aware that laundry equipment is a Quartermaster procured item, he also knew that delivery of laundry equipment requisitioned through prescribed channels generally requires forty-five days if material is in depot stock and appreciably longer if it is not in stock. Consequently, on his own responsibility he decided to procure the equipment locally."

Colonel Drybold also wrote that he "believes that the decision to procure locally was done for the best interest of the Government", and he felt that "the District Engineer should and could have secured teletype approval of this course of action from your office [Chief of Engineers]". 1/

Records of the District Engineer, Los Angeles, show cost of rehabilitation to be as follows:

Laundry boiler plant	\$ 35,900
Worship and mail equipment	226,440
Administrative expense	11,309
Total	\$273,649

Rehabilitation of USO Building

A frame building, located outside the reservation gate in Fry, Ariz., containing 11,000 sq. ft. of floor space, 2/ constructed in 1941 for USO entertainment on reservation. It, however, was rehabilitated at a cost of \$10,549. 3/ The work was in addition to that done by the Corps of Engineers.

Since then approval of Contract No. DL-02-004-471-258, dated May 24, 1952, for the repair and renovation and work was completed in August 1952.

The building was leased to the USO on August 18, 1952, for a period of five years. 4/ Representatives visited the installation at various times between August and December 1952, but the building was never opened for entertainment.

1/ Enclosure 1.

2/ Enclosure 2.

3/ Enclosure 3. Reproduction data - 2127020 58-2728 2915-07 02-004

Following the second training cycle which ended in January 1953, a civilian employee of the quartermaster was assigned quarters in the building to protect it from vandalism. The living quarters were the only portion occupied, or used, and on April 14, 1953, the post engineer received notice that the USO lease would be canceled.

Colonel Dunne explained that had he known in May 1952 that Fort Huachuca would be left without a mission in January 1953, he probably would not have requested funds to rehabilitate a building which would not have been used. However, he said there were some 5,000 troops there in May 1952.

Golf Course

The Preparedness Subcommittee of the Senate Committee on Armed Services requested the Secretary of the Army to make an immediate report relative to an allegation that a golf course, with underground pipe, was being constructed at Fort Huachuca, according to teletype message from the Department May 16, 1952. Colonel Dunne's reply to the Department stated that the golf course work was not new construction but a rehabilitation project of a course built in 1941. The work was being done by engineer troops as a training project and would be maintained with nonappropriated funds. Colonel Dunne said the allegation was made by a former reserve officer whose name he could not recall. At the completion of the project, plumbing supplies and equipment from stock of the post engineer amounted to \$2,480.12. The Central Post Fund, a nonappropriated fund, was billed for the amount and on October 20, 1952, the appropriation 1/ was reimbursed by a check drawn on the Central Post Fund. 2/

Rehabilitation of Cold Storage Plant

The fort's World War II cold storage plant, consisting of four buildings and machinery, and the electrical and gas distribution systems, were transferred along with other buildings to the State of Arizona by the War Assets Administration, October 29, 1948. On the same day, the State of Arizona Surplus Property Purchasing Agency sold the plant and electrical and gas distribution systems to John A. Murphy, an attorney of Phoenix, and a veteran, for \$31,053.40. 3/ Brig. Gen. Frank E. Fraser, Adjutant General of Arizona, 4/ said his National Guard wanted and endeavored to acquire the cold storage plant but through a deal which was consummated in Washington, D. C., he was told that Robert O. Kelly, authorized agent for the State Surplus Property Purchasing Agency, had sold it to Mr. Murphy. After the property had changed ownership several times, the Government purchased three of the four buildings from individuals for \$36,500 and rehabilitated the plant at an additional cost of approximately \$117,500.

1/ 212/34906 56 C 615P1430-99-502-084, "Replacing Engineer Supplies, Common Supplies & Equipment."

2/ C/D No. 64, dated 10/20/52, for \$2,738.38, accounts of Lt. Col. A. Del Rosario, symbol No. 215-557.

3/ Exhibit 10.

4/ Interviewed May 11, 1953.

Three days after Mr. Murphy acquired the property for \$31,053.40, he sold it to the Pioneer Sales Company, Phoenix, a copartnership consisting of D. M. Bessett, C. W. Caywood, Pete Waggoner and himself, organized to deal in war surplus. The bill of sale shows the property was sold for \$10 and "other valuable consideration". 1/

The Phoenix Real Estate Office of the Army Corps of Engineers reported that the Pioneer Sales Company sold the plant to Wayne T. Olson for \$40,000 on August 24, 1949, and that Mr. Olson disposed of the property substantially as follows:

<u>Date of Sale</u>	<u>Property</u>	<u>Purchaser</u>	<u>Sale Price</u>
8-27-49.	Machinery and equipment	Arizona Ice and Cold Storage Co., Tucson	\$20,000
2/	Bldg. T-3075 and "	Crystal Ice Co., Tucson	20,000
11- 3- 49	Bldg. T-3075 and "	W. J. Waggoner and Fred Itule, Nogales	20,000
10-27- 51	Bldgs. T-3076 and T-3077	U. S. Army	21,500 3/

The Army, through the District Engineer in Los Angeles, also purchased Bldg. T-3075 from Messrs. Waggoner and Itule for \$15,000 on November 2, 1951. 4/

Costs to the Army for reestablishing the cold storage plant, including purchase of the three buildings, are summarized as—

Transformer vault and building electrical system	\$ 97,750
Monorail system and storage shelving in refrigerated building No. T-3075	19,711
Purchase of buildings	36,500
	<u>\$153,961</u>

Rehabilitation of Water Tanks

Two elevated steel water tanks, 500,000 gallons each, were transferred to the State of Arizona on March 2, 1949, by the War Assets Administration, the deed providing that the State will "not sell * * * any of the premises * * * without first obtaining the written authorization of the Administrator * * *." However, the Adjutant General of the Arizona National Guard said that the tanks and some water pipe were sold to Joe Deckert and M. W. Silver for \$26,000 on May 25, 1949, without prior authorization of the

1/ Exhibit 11.

2/ Date not available, but building was dismantled and removed from reservation.

3/ Exhibit 12.

4/ Exhibit 13.

Administrator. He said that after Deckert and Oliver removed the pipes, the tanks were considered obsolete or surplus under another section of the original deed which provided that " * * * any obsolete or surplus material resulting from relocation of the utility lines necessary to provide maximum efficiency in the operation of utility services may be sold without prior written authorization * * *."

Records of Army District Engineer show that Deckert sold the tanks for \$28,500 to M. M. Sundt Construction Co., the rehabilitation contractor. Although the tanks were not used or removed from the post, the Government purchased them from the M. M. Sundt Construction Co. for \$30,220. The electrical system for both elevated tanks was rehabilitated at a cost of \$5,780. Cleaning and painting the interior of one tank amounted to \$2,773.

The Deputy Post Commander, Col. Nathan McLamb, said that only one tank was used during the period of the fort's reactivation.

Purchase price and cost of rehabilitation is summarized as follows:

Purchase tanks	\$30,220
Rehabilitation of electrical system for both tanks	5,780
Cleaning and painting interior of one tank	2,773
Total	<u>\$38,773</u>

Contract Let Without Advertising or Securing Bids

Storage bins costing \$26,533.50 under contract No. DA-02-084-AVI-449, dated June 19, 1951, 1/ were apparently purchased without advertising or securing bids. The present purchasing and contracting officer was not at Fort Huachuca at the time of this transaction, but he agreed that there is no indication of advertising or securing bids.

Expenditures After Training Mission Was Ended

1. Bids were requested and contract No. DA-02-084-AVI-449 was awarded March 20, 1953, to American Tree Surgery, 23 E. Indian School Road, Phoenix, Ariz., for pruning, topping and removing trees. The project was initiated by the post engineer, Maj. Howard A. Draper. Allotment of \$6,215 was requested on March 4, 1953, by Col. N. A. McLamb as Deputy Post Commander. 2/

2. Purchase of 125 Chinese Elm trees, 12- to 14-foot tall, for \$325, was consummated on March 3, 1953. The project was initiated by the post engineer and the request and commitment form 3/ for \$500 was signed by Col. N. A. McLamb as Deputy Post Commander.

1/ Capt. Emil W. Geuss, OMC, Contracting Officer.

2/ Payment was made to Tucson Auto Parts and Equipment Company, Tucson, Ariz., by D. O. voucher No. 17697, dated October 17, 1951, by Col. George Van Studdiford, symbol No. 215-211, station No. 151, Fort Bliss, Tex.

3/ Exhibit 15.